

Record Request DTE-5 (Tr. 3, at 381)

Refer to Attachment DTE-1-3(a) and Exh. DTE-1-10. Please explain the difference between \$80,225,573 in long-term debt for Commonwealth Electric Company with the \$76,691,740 reported in what has been marked as Exh. DTE-1-3.

Response

The difference between the two amounts represents the scheduled sinking fund payments on the outstanding indebtedness that will be made during 2006 and on January 2, 2007. These payments will occur regardless of the outcome of the merger proceeding.

Long-term debt balance at 12/31/05	\$80,225,573 (Attachment DTE-1-10)
Sinking fund payments during 2006	2,481,202
Sinking fund payment at January 2, 2007	<u>1,052,631</u>
Amount of debt to be called	\$76,691,740 (Attachment DTE-1-3(a))